AMENDED IN ASSEMBLY APRIL 3, 2001

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 1574

Introduced by Assembly Member Lowenthal

February 23, 2001

An act to add Section 25401.5 to the Public Resources Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 1574, as amended, Lowenthal. Energy conservation: building standards.

Existing law requires the State Energy Resources Conservation and Development Commission to adopt regulations concerning energy conservation standards for lighting, insulation, climate control systems, and other building design and construction standards for new residential and new nonresidential buildings.

This bill would require the commission to adopt emergency regulations, not more than 240 days after the effective date of this bill, prescribing higher envelope *and duct* R-value standards for new residential and nonresidential buildings, for which a building permit is issued after the effective date of this bill, and minimum standards for energy efficiency in residential buildings dwellings, which are occupied on the effective date of this bill, to be met upon resale, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares that energy costs represent a significant proportion of consumers' discretionary expenses and that energy efficiency measures are available for residential dwellings in existence on the effective date of the act adding this section.

- SEC. 2. Section 25401.5 is added to the Public Resources Code, to read:
- 25401.5. (a) For the purpose of reducing electrical and natural gas energy consumption, the commission shall do both *all* of the following:
- (1) Adopt regulations, as provided in subdivision (c), which require the inclusion of higher envelope R-values in new residential buildings, and higher envelope R-values compatible require the inclusion of higher envelope and duct R-values compatible with ASHRAE Tier H Standard 90.1 for new nonresidential buildings, for which building permits are issued after the effective date of the act adding this section.
- (2) Adopt regulations, as provided in subdivision (e), which require residential buildings that are occupied on the effective date of the act adding this section to meet minimum levels of energy efficiency upon resale to another party.
- (2) (A) (i) Adopt regulations, as provided in subdivision (c), that prescribe minimum energy efficiency standards for residential dwellings that are occupied on the effective date of the act adding this section to be met upon resale to another party. The standards shall include, but not be limited to, R-30 ceiling insulation, R-13 wall insulation, R-19 raised wood floor insulation, R-4.2 duct insulation, U-0.55 fenestration, sealing of a HVAC duct system, and R-12 water heater wrap standards for water heaters that do not meet the minimum NAECA standards located in _____ document, dated _____, 1992.
- (ii) The commission shall develop, adopt, and publish an information booklet, manual, or other publication to inform homeowners of the energy efficiency standards adopted pursuant to this subdivision and of methods to meet these energy efficiency standards. The publication shall include information on how to select a qualified and certified installer and how to contact a home energy rater, as described in clause (iii) of subparagraph (B).

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(iii) The commission shall establish a program to monitor and evaluate the effectiveness of the standards adopted pursuant to this subdivision. The program may include a construction quality assessment of the kinds of measures being used, the quality of installations meeting the standards, and an assessment of the impact of energy efficiency measures on reducing homeowner energy usage.

- (B) (i) The standards adopted pursuant to subparagraph (A) shall be met at the time of resale to another party of a residential dwelling in existence on the effective date of the act adding this section, which has an assessed value at the time of resale of seventy-five thousand dollars (\$75,000) or more.
- (ii) The standards adopted pursuant to subparagraph (A) may not require a homeowner or developer to spend more than 1 percent of the value of the sales price of the residential dwelling for energy efficiency improvements for the dwelling.
- (iii) A home energy rater, who meets the criteria established under the home energy rating program pursuant to Section 25942, shall document the energy efficiency improvements for a residential dwelling and issue a certified rating. The certified rating shall be part of the escrow closing documents upon the sale of the residential dwelling.
- (C) The standards adopted pursuant to subparagraph (A) do not apply to any of the following:
- (i) A residential dwelling constructed on or after January 1, 1992 that satisfies the standards of subdivision (a) or (b) of Section 25402.
- (ii) A residential dwelling owned by a homeowner that is a lower income household, as defined by Section 50079.5 of the Health and Safety Code.
- (iii) A residential dwelling owned by a homeowner that ia a very low-income household, as defined by Section 50105 of the Health and Safety Code.
- (iv) A qualified historical building as defined in Part 8 of Title 24 of the California Code of Regulations.
- (v) Decorative fenestration with historical significance to the building design.
- 38 (D) This section may be enforced through the procedure of subdivision (g) of Section 25402.1.

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- (b) Subdivision (c) of Section 11346.1 of the Government Code does not apply to the regulations adopted pursuant to this section. Instead, the commission shall only consult with the California Building Standards Commission prior to adopting the regulations.
- (c) The regulations adopted by the commission for the purposes of this section shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of that chapter of the Government Code, including Section 11349.6 of the Government Code, the adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, and general welfare.
- (d) The commission shall adopt the regulations pursuant to this 16 section not more than 240 days after the effective date of the act adding this section.